BUDGET DEVELOPMENT

SCOPE

This document shall apply to all members of the Stoney Point Fire Department and shall be adhered to by all members referencing the budget development process.

PURPOSE

To demonstrate Stoney Point Fire Department's commitment to service to fiscal responsibility and our community through complying with established financial responsibility laws and procedures.

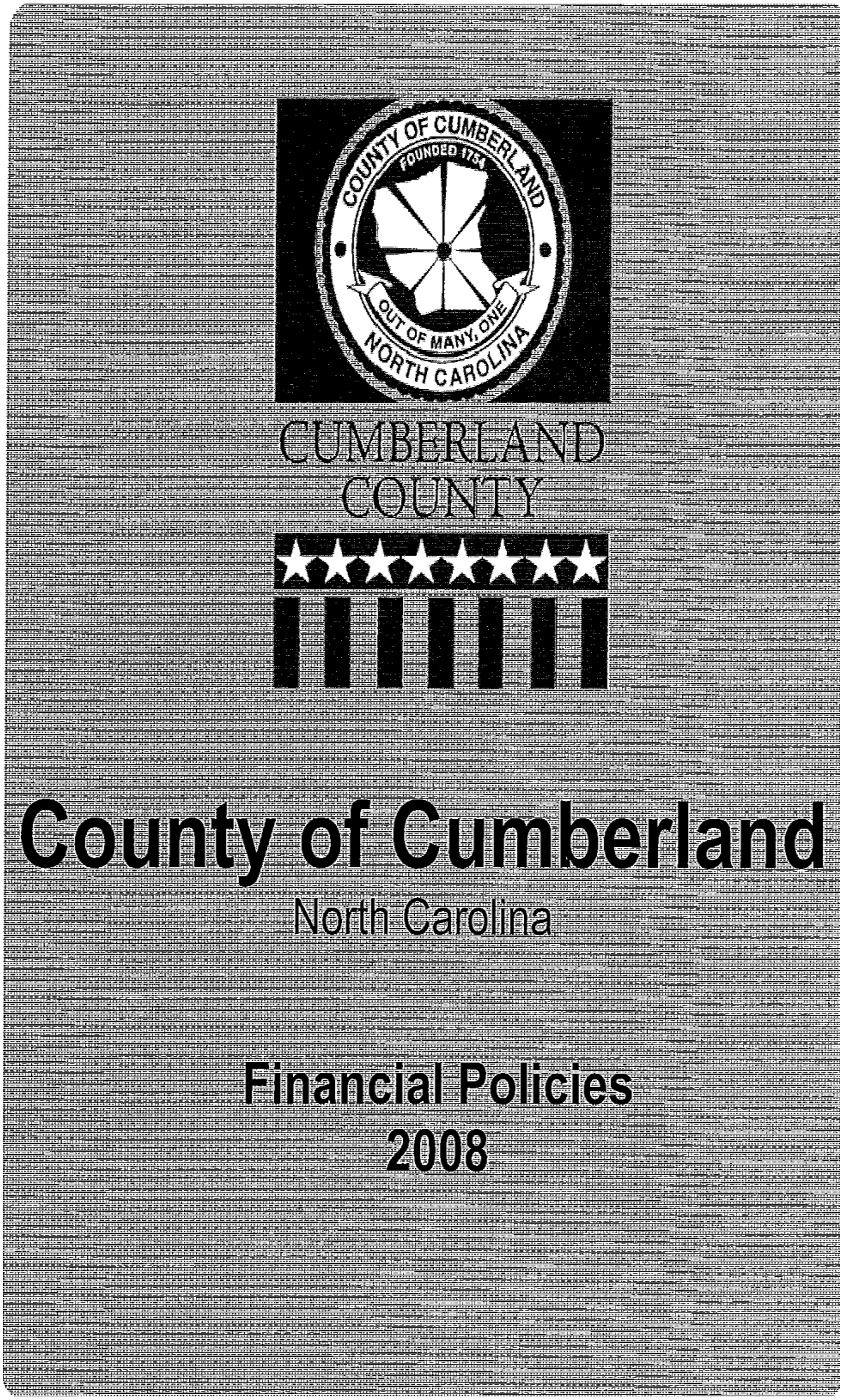
DEFINITIONS

Board of Directors – governing body of Stoney Point Fire Department
Chief Officer – Senior Fire Officer rank, Division, Assistant, Deputy and Fire Chief, responsible for safety, training, leadership, planning and operations
Guideline - a general rule, principle, outline of a policy
Member – any career, volunteer, staff, and auxiliary personnel affiliated with the department
Shall - indicates a mandatory requirement

Policy Number
4A.001

GUIDELINES

Stoney Point Fire Department is an emergency response corporation with responsibility for providing fire, technical rescue and emergency medical response to the Stoney Point and Lake Upchurch Fire Districts. The development of the annual operations and maintenance budget shall be accomplished through cooperation of the Fire Chief and the Board of Directors following established Cumberland County North Carolina financial policies.



CUMBERLAND COUNTY

County of Cumberland

North Carolina

Financial Policies

2008

Table of Contents

Section Name Page #

Introduction 1

I. Operating Budget / Fund Balance Policies
Budget Guidelines 2
Revenue Policy 2
Expenditure Policy 3
Reserve / Fund Balance Policy 3

II. Asset Liability Management Policies
Capital Investment and Debt Policy 5
Cash Management and Investment Policy 6

III. Accounting, Auditing and Financial Reporting Policies
General Policy 12

Appendix

Swap Policy
Policy 13

Table of Contents

Introduction

Introduction

The County of Cumberland has established comprehensive financial policies supporting management of our financial resources by providing effective control, prudent decision making and compliance with legal requirements. The essential goals to be accomplished through consistent application of these policies include:

- To align long-term financial planning with short-term daily operations and decision-making.
- To maintain and improve the County's financial position.
- To maintain the County's credit ratings by meeting or exceeding the requirements of rating agencies through sound, conservative financial decision making.
- To comply with the North Carolina Budget and Fiscal Control Act and the policies of the North Carolina Local Government Commission (the "LGC").
- To ensure cost effective, efficient and timely procurement of necessary goods and services to enable County departments in achieving their mission of effective service delivery to all citizens.
- To provide credibility to the citizens of the County regarding financial operations through active investment, debt and procurement management as well as financial planning and monitoring.

The Cumberland County Board of Commissioners (the "Board") is a seven-member board, with each member serving a four-year term. To enhance communication and effective decision making, four subcommittees of the Board have been in existence for many years. These three-member subcommittees have been structured to focus on the following areas; Finance, Policy, Personnel, and Facilities issues. Each committee meets monthly as needed, in a published, open meeting. The Finance Committee serves as the Audit Committee of the County and makes recommendations to the full Board upon review of issues that have a fiscal impact upon the County. Periodically, the Finance Director updates the Committee on the financial condition of the County as a part of their monthly agenda. The annual audit is presented in detail to the Board annually at a night meeting which is televised on a local channel for the citizens of Cumberland County.

Policy Number

4A.001

Page 4 of 17

I. Operating Budget / Fund Balance Policies

Operating Budget / Fund Balance Policies

I. Operating Budget / Fund Balance Policies

Budget Guidelines

I. The County's Annual Budget Ordinance will be balanced in accordance with the Local Government Budget and Fiscal Control Act (G.S. 159-8(a)).

II. The County's operating budget will be prepared in accordance with Generally Accepted Accounting Principles.

III. The County's Annual Budget Ordinance will be adopted by each July 1 (G.S. 159-13(a)).

IV. The annual budget shall be developed as a financial plan to achieve long-term and short-term goals adopted by the Governing Board and as an operational guide for provision of programs and services to the community.

Revenue Policy

I. Ad Valorem Tax – As provided by the North Carolina Budget and Fiscal Control Act, estimated revenue from the Ad Valorem Tax levy will be budgeted as follows:

a. Assessed valuation will be estimated based upon historical trends and growth patterns in a conservative manner.

b. The estimated percentage of collection will not exceed the actual collection percentage of the preceding fiscal year, in accordance with State law.

c. The property tax rate will be set each year based upon the costs of providing general governmental services, meeting debt service obligations and maintaining any reserves or fund balances the Board deems necessary.

II. Economically Sensitive Revenues – The County has certain revenues, specifically occupancy, food and beverage, and sales taxes that can be adversely affected by regional and national economic conditions and military deployments. These revenues shall be budgeted in a conservative manner.

III. User Fees – The Board will establish all user fees annually. The user fees will maximize charges for services that can be individually identified and where costs are directly related to the provision of or to the level of service provided.

a. Emphasis on user fees results in the following benefits:

i. The burden on the Ad Valorem tax is reduced.

ii. User fees are paid by all users, including those exempt from property taxes.

iii. User fees help minimize subsidization in any instance where there are requirements in order to qualify for the use of the service and the service is not provided to the general public.

iv. User fees produce information on the demand level for services and help to make a connection between the amount paid and the services rendered.

IV. Interest Income – Interest income is subject to variability based upon changes in prevailing interest rates, which cannot be predicted with certainty. Such revenue shall therefore be budgeted in a conservative manner within the Annual Budget Ordinance and shall comply with Section III of this policy regarding Asset – Liability Management.

V. Grant Funding – Staff will pursue opportunities for grant funding. Application for grant funding will be made after a grant has been evaluated for consistency with the Board's goals and compatibility with County programs and objectives. Staff must have prior approval from the County Manager to apply for a grant. All awarded grants can only be accepted by Board action at which time the related budget shall be established.

Policy Number

4A.001

Page 5 of 17

Introduction

Introduction

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Policy Number

4A.001

Page 6 of 17

I. Operating Budget / Fund Balance Policies

III. Any General Fund undesignated fund balance that exceeds the 10% target goal shall be reserved for onetime future projects.

IV. The County will appropriate within the annual budget a General Fund Contingency appropriation each fiscal year of at least $500,000.

V. The County shall maintain a School Capital Reserve Special Revenue Fund and all funds accumulated shall be used towards debt service on school related debt and other school capital needs.

a. The Board has committed 30% of the Article 40 sales tax and 60% of the Article 42 sales tax to the purposes listed immediately above.

b. All Public School Building Capital Fund ("ADM money") and Lottery proceeds shall be budgeted within the School Capital Reserve Fund and shall be used for debt service from school related debt and for school construction needs as appropriate.

Asset Liability Management Policies

Capital Investment and Debt Policy

I. Capital Improvements Plan

a. The County will update a five-year capital improvements plan (CIP) which projects capital needs and details the estimated costs, description and anticipated funding sources for capital projects.

b. The annual update of the CIP will be presented at the Board's Budget Planning retreat and included in the annual operating budget process.

c. The first year of the five-year CIP will be the basis of formal fiscal year appropriations during the annual budget process.

d. The CIP will generally address those capital assets with a value of $100,000 or more and a useful life of five years or more.

e. The County includes equipment and furnishings as well as projected annual operating costs in the appropriate year in the CIP.

f. The County acknowledges pay-as-you-go financing as a significant capital financing source, but will ultimately determine the most appropriate financing structure for each capital project on an individual basis after examining all relevant factors of the project.

II. Ten Year School Facilities Plan

a. The County requires an annual update from the Cumberland County Board of Education of its Ten Year School Facilities Plan. The County fully expects to see all new capital projects first appear in the ninth or tenth year of the school facilities plan unless dictated otherwise by State or Federal mandates of new sources of funds, such as a State bond issue for local consideration.

III. Fixed Assets

a. The capitalization threshold for fixed assets shall be $5,000 and $7,500 for capital improvements. The threshold will be applied to individual fixed assets and not to groups of fixed assets. Fixed assets will be capitalized if they have a useful life of one year or more following the date of acquisition.

IV. Debt Policy

a. Debt will only be incurred for financing capital assets that, because of their long-term nature or because of budgetary restraints, cannot be acquired from current or budgeted resources. Debt will not be used for operational needs. Debt financing can include general obligation bonds, revenue bonds, certificates of participation, lease/purchase agreements, special obligation bonds, or any other financing instrument allowed under North Carolina law.

b. The County will seek to structure debt and to determine the best type of financing for each financing need based on the flexibility needed to meet project needs, the timing of the project, taxpayer or rate payer equity, and the structure that will provide the lowest interest cost in the circumstances. The following guidelines will be used when structuring debt:

   i. Debt will be amortized on a level principal or level principal and interest basis, depending upon the specific nature of the financing.

   ii. Maximum term of amortization of principal will be twenty-five years, twenty years for general obligation debt. Average life of outstanding debt will not exceed fifteen years.

   iii. For general obligation debt, fifty percent of the total outstanding debt will be amortized in the first ten years of total debt outstanding.

   iv. Fixed rate will be the predominant interest rate for County issuance. Variable rate debt will be considered on a case-by-case basis and will not exceed fifteen percent of total outstanding debt of the County. Issuance of variable rate debt will be undertaken after considering interest rate risk, ability to hedge risk in the annual budget, internal levels of fund balance, and other elements of interest rate risk management.

c. Debt financing will be considered in conjunction with the County's CIP. Debt financing will also be considered in the Board's review of facility plans presented by the Board of Education.

II. Asset Liability Management Policies

d. Upon Board approval of a capital project and a determination that the project will be financed through issuance of debt, The Board will increase the property tax rate in an amount equivalent to the additional annual operating costs and principal and interest payments in the upcoming fiscal year, if deemed necessary.

e. The County will strive to maintain a high level of pay-as-you-go financing for its capital improvements.

f. Debt Affordability

   i. The net debt of the County, as defined in G.S. 159-55, is statutorily limited to eight percent of the assessed valuation of the taxable property within the County. The County will utilize a self-imposed ceiling of 4%.

   ii. Total General Fund debt service will not exceed the limits imposed by the LGC. As a guide, formulas established by the LGC and rating agencies will be monitored and appropriately applied by the County. Debt service as a percentage of the general fund budget will be targeted not to exceed 15%.

g. The County will seek to structure debt in the best and most appropriate manner to be consistent with Asset – Liability Management policies.

h. The County will seek to employ the best and most appropriate strategy to respond to a declining interest rate environment. That strategy may include, but does not have to be limited to, delaying the planned issuance of fixed rate debt, examining the potential for refunding of outstanding fixed rate debt, and the issuance of variable rate debt. The County will seek to employ the best and most appropriate strategy to respond to an increasing interest rate environment. That strategy may include, but does not have to be limited to, the issuance of variable rate debt (a historically lower interest cost), or any other methodology deemed appropriate.

i. The County will monitor the municipal bond market for opportunities to obtain interest rate savings by refunding on a current or advance basis for outstanding debt. The estimation of net present value savings for a traditional fixed rate refunding should be, at a minimum, in the range of 2.5% to 3% of the refunded maturities before a refunding process begins.

j. The County will strive for the highest possible bond ratings in order to minimize the County's interest costs.

k. The County will normally obtain at least two ratings (Moody's and Standard & Poor's) for all publicly sold debt issues.

l. While some form of outstanding debt exists, the County will strive to have a portion of that debt in the form of general obligation debt.

m. The County will provide annual information updates to each of the debt rating agencies.

n. The County will use the Comprehensive Annual Financial Report (the "CAFR") as the disclosure document for meeting its obligation to provide certain annual financial information to the secondary debt market via various information repositories. The annual disclosure is a condition of certain debt covenants and contracts that are required by SEC Rule 15c2-12.

Cash Management and Investment Policy

I. Receipts

a. Cash receipts will be collected as expediently as reasonably possible to provide secure handling of incoming cash and to move these monies into interest bearing accounts and investments.

b. All incoming funds will be deposited daily as required by State law.

c. The Finance Director is responsible for coordinating at least two random or risk based internal audits of cash receipting locations per fiscal year.

II. Cash Disbursements

a. The County's objective is to retain monies for investment for the longest appropriate period of time.

b. Disbursements will be made timely in advance of or on the agreed-upon contractual date of payment unless earlier payment provides greater economic benefit to the County.

II. Asset Liability Management Policies

Policy Number

4A.001

Page 9 of 17

c. Inventories and supplies will be maintained at minimally appropriate levels for operations in order to increase cash availability for investment purposes.

d. Dual signatures are required for County checks. Electronic signature of checks is approved.

III. Investment Policy

a. Policy

i. It is the policy of the County to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow requirements of the County and conforming to all State statutes governing the investment of idle funds.

b. Scope

i. This investment policy applies to all financial assets of the County except authorized petty cash, trust funds administered by the Social Services Director, and debt proceeds, which are accounted for and invested separately from pooled cash. The County pools the cash resources of its various funds and participating component units into a single pool in order to maximize investment opportunities and returns. Each fund's and participating component unit's portion of total cash and investments is tracked by the financial accounting system.

c. Prudence

i. The standard of prudence to be used by authorized staff shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence would exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

ii. Authorized staff acting in accordance with procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

d. Authorized Staff

i. G.S. 159-25(a)6 delegates management responsibility for the investment program to the Finance Director. The Finance Director will establish and maintain procedures for the operation of the investment program that are consistent with this policy. Such procedures will include delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director. The Finance Director will be responsible for all transactions undertaken and will establish and maintain a system of controls to regulate the activities of subordinates.

ii. In the absence of the Finance Director and those to which he or she has delegated investment authority, the County Manager or his or her designee is authorized to execute investment activities.

e. Objectives

i. The County's objectives in managing the investment portfolio, in order of priority, are safety, liquidity, and yield.

1. Safety

a. Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To best mitigate against credit risk (the risk of loss due to the failure of the security issuer) diversification is required. To best mitigate against interest rate risk (the risk that changes in interest rates will adversely affect the market value of a security and that the security will have to

Policy Number

4A.001

Page 10 of 17

be liquidated and the loss realized) the second objective, adequate liquidity, must be met.

2. Liquidity

   a. The investment portfolio shall remain sufficiently liquid to meet all operating and debt service cash requirements that may be reasonably anticipated. The portfolio will be structured so that securities mature concurrent with cash needs (static liquidity), with securities with an active secondary market (dynamic liquidity), and with deposits and investments in highly liquid money market and mutual fund accounts.

3. Yield

   a. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary, economic and interest rate cycles, taking into account investment risk constraints and liquidity needs.

f. Ethics and Conflicts of Interest

   i. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the County Manager any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial or investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individuals with whom business is conducted on behalf of the County.

g. Authorized Financial Dealers and Financial Institutions

   i. The Finance Director will maintain a list of financial institutions that are authorized to provide investment services. Authorized financial institutions will be selected by credit worthiness. These may include "primary" dealers or regional dealers that qualify under SEC Rule 15C3-1 (uniform net capital rule).

h. Any financial institutions and broker dealers that desire to become qualified to conduct investment transactions with the County must supply the Finance Director with the following:

   i. Audited financial statements;
   ii. Proof of National Association of Securities Dealers certification;
   iii. Proof of State registration; and
   iv. Certification of having read the County's Investment Policy.

i. Any previously qualified financial institution that fails to comply or is unable to comply with the above items upon request will be removed from the list of qualified financial institutions.

j. The Finance Director shall have discretion in determining the number of authorized financial institutions and may limit that number based upon the practicality of efficiently conducting the investment program. The Finance Director shall also have the discretion to add or remove authorized financial institutions based upon potential or past performance.

   i. Internal Control

      1. The Finance Director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires the use of estimates and judgments by management.

Policy Number

4A.001

Page 11 of 17

ii. Collateralization

1. Collateralization is required for certificates of deposit. North Carolina General Statutes allow the State Treasurer and the Local Government Commission to prescribe rules to regulate the collateralization of public deposits in North Carolina banks. These rules are codified in the North Carolina Administrative Code – Title 20, Chapter 7 (20 NCAC 7). The Pooling Method of collateralization under 20 NCAC 7 allows depositories to use an escrow account established with the State Treasurer to secure the deposits of all units of local government. This method transfers the responsibility for monitoring each bank's collateralization and financial condition from the County to the State Treasurer. The County will only maintain deposits with institutions using the Pooling Method of collateralization.

iii. Delivery and Custody

1. All investment security transactions entered into by the County shall be conducted on a delivery versus payment basis. Securities will be held by a third party custodian designated by the Finance Director and each transaction will be evidenced by safekeeping receipts and tickets.

iv. Authorized Investments

1. The County is empowered by North Carolina G.S. 159-30(c) to invest in certain types of investments. The Board of Commissioners approves the use of the following types, the list of which is more restrictive than G.S. 159-30(c):

   a. Obligations of the United States or obligations fully guaranteed as to both principal and interest by the United States.
   b. Obligations of the Federal Financing Bank, the Federal Farm Credit Bank, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the United States Postal Service.
   c. Obligations of the State of North Carolina.
   d. Bonds and notes of any North Carolina local government or public authority that is rated "AA" or better by at least two of the nationally recognized ratings services or that carries any "AAA insured" rating.
   e. Fully collateralized deposits at interest or certificates of deposit with any bank, savings and loan association or trust company that utilizes the Pooling Method of collateralization.
   f. Prime quality commercial paper bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligation.
   g. Bankers' acceptance of a commercial bank or its holding company provided that the bank or its holding company is either (i) incorporated in the State of North Carolina or (ii) has outstanding publicly held obligations bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligations.
   h. Participating shares in a mutual fund for local government investment, provided that the investments of the fund are limited to those qualifying for investment under G.S. 150-30(c) and that said fund is certified by the LGC. (The only such certified fund is the North Carolina Capital Management Trust.)

2. Prohibited Forms of Investments

II. Asset Liability Management Policies

Policy Number

4A.001

Page 12 of 17

a. The use of repurchase agreements in the normal investment portfolio (not debt proceeds) is prohibited.
b. The use of collateralized mortgage obligations is prohibited.
c. The use of any type of securities lending practices is prohibited.

v. Diversification

1. Investments will be diversified by security type and by institution.
2. The total investment in certificates of deposit shall not exceed 25% of the County's total investment portfolio and the investment in certificates of deposit with a single financial institution shall not exceed $3,000,000.
3. The total investment in commercial paper shall not exceed 10% of the County's total investment portfolio and the investment in commercial paper of a single issuer shall not exceed $4,000,000.
4. The total investment in bankers' acceptances shall not exceed 10% of the County's total investment portfolio and the investment in bankers' acceptances of a single issuer shall not exceed $7,000,000.
5. The Finance Director is responsible for monitoring compliance with the above restrictions. If a violation occurs, the Finance Director shall report such to the County Manager and to the Board along with a plan to address the violation.

vi. Maximum Maturities

1. To the extent possible, the County will attempt to match its investments with anticipated cash flow requirements. Beyond identified cash flow needs, investments will be purchased so that maturities are staggered.
2. The following maturity limits are set for the County's investment portfolio:

a. No investment will have a maturity of more than two years without authorization from the County Manager.
b. No more than 10% of the total investment portfolio will be invested with a maturity longer than one year but less than two years. Because the total investment portfolio may fluctuate due to cash flow needs, investments with a maturity up to two years may exceed the calculated total. If this should occur, investments should not be liquidated to comply with this policy but future investing with maturities up to two years shall be avoided until the designated level is achieved.

vii. Selection of Securities

1. The Finance Director or his or her designee will determine which investments shall be purchased and sold and the desired maturity date(s) that are in the best interest of the County. The selection of an investment will involve the evaluation of, but not limited to, the following factors: cash flow projections and requirements; current market conditions; and overall portfolio balance and makeup.

viii. Responses to Changes in Short Term Interest Rates

1. The County will seek to employ the best and most appropriate strategy to respond to a declining short-term interest rate environment. The strategy may include, but does not have to be limited to, purchases of callable "cushion" bonds, lengthening of maturities in the portfolio, and increases in the percentage of ownership of treasury notes relative to that of treasury bills.
2. The County will seek to employ the best and most appropriate strategy to respond to an increasing short-term interest rate environment. That strategy may include, but does not have to be limited to, purchases of "step-up" securities, shortening of maturities in the portfolio, the use of floating rate investments, and increases in the percentage of ownership of treasury bills relative to that of treasury notes.

ix. Performance Standards

Policy Number

4A.001

Page 13 of 17

1. The investment portfolio will be managed in accordance with the parameters specified within this policy. The investment portfolio will strive to obtain a market average rate of return within the constraints of the county's investment risk profile and cash flow needs.
2. The performance benchmarks for the performance of the portfolio will be rates of return on 90-day commercial paper and on three-year treasury notes.

x. Active Trading of Securities

1. It is the County's intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal. However, if economic or market conditions change making it in the County's best interest to sell or to trade a security before maturity, that action may be taken.

xi. Pooled Cash and Allocation of Interest Income

1. All monies earned and collected from investments other than bond proceeds will be allocated monthly to the various participating funds and component units based upon the average cash balance of each fund and component unit as a percentage of the total pooled portfolio. Earnings on bond proceeds will be directly credited to the same proceeds.

xii. Market to Market

1. A report of the market value of the portfolio will be generated annually by the Finance Director. The Finance Director will use the reports to review the investment portfolio in terms of value and price volatility, as well as for compliance with GASB Statement #31.

Accounting, Auditing and Financial Reporting Policies

General Policy

I. The County will maintain accounting systems in compliance with the North Carolina Local Government Budget and Fiscal Control Act. The County will maintain accounting systems that enable the preparation of financial statements in conformity with generally accepted accounting principals (GAAP).

   a. The basis of accounting within governmental funds will be modified accrual.

   b. The basis for accounting within all Enterprise and Internal Service Funds will be the accrual basis.

II. Financial systems will be maintained to enable the continuous monitoring of revenues and expenditures or expenses with monthly reports provided to the County Manager and the Finance Director. Financial summaries will be provided to the Finance Committee at their regularly scheduled meetings. Monthly expenditure/expense reports will be provided to each director and department head for their functional area and online, real time, view only, access to the financial system will be made available to department heads and other staff as much as practical and its use encouraged. On a periodic basis an interim financial update will be provided to the Board of County Commissioners.

III. The County will place emphasis on maintenance of an accounting system which provides strong internal budgetary and financial controls designed to provide reasonable, but not absolute, assurance regarding both the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and reports, as well as the accountability of assets.

IV. An annual audit will be performed by an independent certified public accounting firm that will issue an opinion on the annual financial statements as required by the Local Government Budget and Fiscal Control Act.

V. The County will solicit proposals from qualified independent certified public accounting firms for audit services. The principal factor in the audit procurement process will be the auditor's ability to perform a quality audit. The County will enter into a multiyear agreement with the selected firm. Firms are not barred from consecutive contract awards.

VI. The Finance Committee of the Board will serve as the standing audit committee. The committee will oversee the independent audit of the county's financial statements, from the selection of the auditor to the resolution of any audit findings. A staff report concerning the annual audit will be presented to the Committee and the Board of County Commissioners.

VII. The Finance Department/Internal Auditor will conduct some form of internal audit procedures at least one time per year, specifically focusing upon cash receipts procedures.

VIII. The County will prepare a CAFR. The CAFR will be prepared in compliance with established criteria to obtain the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting and will be submitted to that award program each year.

IX. Full and complete disclosure will be provided in all regulatory reports, financial statements and debt offering statements.

X. The County will use the CAFR as the disclosure document for meeting its obligation to provide certain annual financial information to the secondary debt market via various information repositories. The annual disclosure is a condition of certain debt covenants and contracts that are required by SEC Rule 15c2-12.

XI. The Finance Department will maintain a Financial Procedures Manual as a central reference point and handbook for all financial, accounting and recording procedures.

XII. The Information Technology Department will establish, document and maintain a Computer Disaster Recovery Plan and will provide for the daily backup of data and the offsite storage of the same.

Swap Policy

Use of synthetic debt transactions by use of swaps is permitted by Local Government Commission policy for selected counties and cities. Currently the County does not view synthetic debt transactions as consistent with its overall financial policies. The County will continue to review the potential for synthetic debt transactions using swaps and will adopt a formal swap policy to the extent needed in the future.

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Cumberland North Carolina

For its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

References

Cumberland County Financial Policies